

M E M O R A N D U M

TO: Governing Board Members

FROM: Kenneth G. Ammon, P.E., Deputy Executive Director,
Everglades Restoration and Capital Projects

DATE: October 4, 2010

SUBJECT: Cooperative Agreement for the Operation, Maintenance, Repair, Replacement and Rehabilitation of the Mass Rearing Annex for the Melaleuca Eradication and Other Exotic Plants – Implement Biological Controls Project – Contract Number 4600002150

Background: Staff requests Governing Board approval to enter into a Cooperative Agreement with the U.S. Department of Agriculture – Agricultural Research Service (USDA-ARS) for the operation, maintenance, repair, replacement and rehabilitation (OMRR&R) of the Melaleuca Eradication and Other Exotic Plants – Implement Biological Controls Project, a component of the Comprehensive Everglades Restoration Plan.

Under a separate Project Partnership Agreement (Contract No. 4600002148) between the SFWMD and the U.S. Department of the Army Corps of Engineers (USACE) executed in July 2010, the USACE is responsible for construction of a 2700-square foot Mass Rearing Annex, and the SFWMD is responsible for OMRR&R of the Mass Rearing Annex for a period of 24 years. The OMRR&R responsibility includes maintenance and repair of the facilities as well as mass rearing of biological control insects, insect release and field monitoring. The Mass Rearing Annex will be used to raise insects that have been approved by state and federal agencies for use as biological control agents for managing the spread of invasive exotic plants species (e.g., Melaleuca, Brazilian Pepper, Old World Climbing Fern, etc.) in the South Florida ecosystem. Before being introduced to the Mass Rearing Annex, insects will have successfully completed an exhaustive quarantine testing program completed by the USDA-ARS to demonstrate that the insects will not attack any other plant species except the target exotic plant for which they are being released to help control.

Under this proposed Cooperative Agreement, the SFWMD will contract with USDA-ARS to perform the necessary OMRR&R. The term of the Cooperative Agreement is five years with the option to renew for additional periods up to five years, not to exceed a total term of 24 years for OMRR&R activities. USDA-ARS will be paid quarterly on a cost reimbursement basis with yearly payments for the first five-year term not to exceed \$661,536. The USACE will then reimburse the SFWMD for 50 percent of the OMRR&R costs (i.e., approximately \$330,000 per year).

How this helps meet the District's 10-Year Strategic Plan: The Melaleuca Eradication and Other Exotic Plants – Implement Biological Controls Project is a component of CERP, which is a major component of the Strategic Plan.

Funding Source: Funding for the five-year Cooperative Agreement will total \$2,647,144, of which CERP ad valorem funds in the amount of \$1,000 are budgeted in FY11 and the remainder is subject to Governing Board approval of the FY12-FY15 budgets. The USACE will provide 50 percent of the annual funding for OMRR&R on a reimbursement basis.

This Board item impacts what areas of the District, both resource areas and geography: This project will provide restoration benefits to the entire South Florida ecosystem. Staff from the Everglades Restoration and Capital Projects Resource Area will manage the contract, with significant support and input from the Operations and Maintenance Department.

What concerns could this Board item raise? The benefits from this project will accrue over time as a result of the rearing and release of insects to control invasive exotic plants. Achieving these benefits is contingent on Congress appropriating the USACE's 50 percent share (approximately \$330,000 per year) of the operations and maintenance costs each year. SFWMD and the USACE will jointly develop a five-year Operations and Maintenance Work Plan and Budget for CERP and will update it annually. However, the actual annual operations and maintenance budget for the Project will be determined by the USACE's appropriation from Congress for that year. For example, if the USACE only receives a \$100,000 appropriation for a given year, then the level of insect rearing and release would have to be reduced for that year, with a resultant reduction in restoration benefits.

Why should the Governing Board approve this item? The Governing Board should approve this Agreement so that the U.S. Department of Agriculture can implement the biological controls and perform operations and maintenance of the Mass Rearing Annex and achieve the resultant restoration benefits.

Attachment – Resolution